

BALL JANIK LLP

A T T O R N E Y S

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LOUIS E. GITOMER
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RECORDATION NO. 21671-F FILED

FEB 24 '99

3-40PM

lgitomer@bjllp.com

February 24, 1999

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed two certified copies of the two documents described below, to be recorded pursuant to 49 U.S.C. § 11301.

The first document is a Memorandum of Security Agreement and Lease Assignment, a secondary document, dated as of February 24, 1999. The primary document to which this is connected is recorded under Recordation No. 21671. We request that this document be recorded under Recordation No. 21671-F.

The names and addresses of the parties to the Memorandum of Security Agreement and Lease Assignment are:

Lender:

Crestar Leasing Corporation
120 E. Baltimore Street, 23rd Floor
Baltimore, MD 21202

Borrower:

Southern Rail Leasing, Inc.
955 South Virginia Street
Reno, NV 89502

A description of the equipment covered by the Memorandum of Security Agreement and Lease Assignment consists of 31 4000 cubic foot gondola cars numbered SRLX 2060-2090, inclusive, formerly numbered DEEX 9006, 9237, 9054, 9191, 9184, 9244, 9049, 9192, 9046, 9143, 9123, 9116, 9242, 9107, 9095, 9273, 9050, 9036, 9122, 9126, 9022, 9128, 9026, 9051, 9196, 9110, 9151, 9014, 9240, 9251, and 9216, respectively.

BALL JANIK LLP

Honorable Vernon A. Williams

February 24, 1999

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The Second document is a Memorandum of Lease Agreement, a secondary document, dated as of February 24, 1999. The primary document to which this is connected is recorded under Recordation No. 21671. We request this document be recorded under Recordation No. 21671-G.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

Southern Rail Leasing, Inc.
955 South Virginia Street
Reno, NV 89502

Lessee:

 Plasser American Corporation, Inc.
2001 Myers Road
Chesapeake, VA 23324

A description of the equipment covered by the Memorandum of Lease Agreement consists of 31 4000 cubic foot gondola cars numbered SRLX 2060-2090, inclusive, formerly numbered DEEX 9006, 9237, 9054, 9191, 9184, 9244, 9049, 9192, 9046, 9143, 9123, 9116, 9242, 9107, 9095, 9273, 9050, 9036, 9122, 9126, 9022, 9128, 9026, 9051, 9196, 9110, 9151, 9014, 9240, 9251, and 9216, respectively.

A fee of \$52.00 is enclosed. Please return one certified copy of each document to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

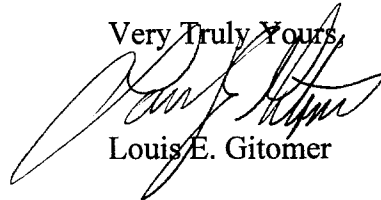
Honorable Vernon A. Williams

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A short summary of the document to appear in the index follows: (1) a Memorandum of Security Agreement and Lease Assignment between Crestar Leasing Corporation, 120 E. Baltimore Street, 23rd Floor, Baltimore, MD 21202, and Southern Rail Leasing, Inc., 955 South Virginia Street, Reno, NV 89502; and (2) a Memorandum of Lease Agreement between Southern Rail Leasing, Inc., 955 South Virginia Street, Reno, NV 89502, and Plasser American Corporation, Inc., 2001 Myers Road, Chesapeake, VA 23324, both covering 31 4000 cubic foot gondola cars numbered SRLX 2060-2090, inclusive, formerly numbered DEEX 9006, 9237, 9054, 9191, 9184, 9244, 9049, 9192, 9046, 9143, 9123, 9116, 9242, 9107, 9095, 9273, 9050, 9036, 9122, 9126, 9022, 9128, 9026, 9051, 9196, 9110, 9151, 9014, 9240, 9251, and 9216, respectively.

Very Truly Yours,

A handwritten signature in dark ink, appearing to read "Louis E. Gitomer", is written over the typed name.

Louis E. Gitomer

Enclosures

RECORDATION NO. 21671-G

FILED

FEB 24 '99

3-40PM

EXECUTION COPY

MEMORANDUM OF LEASE AGREEMENT

dated as of February 24, 1999

between

PLASSER AMERICAN CORPORATION, INC.
as Lessee,

and

SOUTHERN RAIL LEASING, INC.
as Lessor

**FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301
on February __, 1999 at __: __.m.**

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of February 24, 1999, by and between SOUTHERN RAIL LEASING, INC., ("Lessor"), and PLASSER AMERICAN CORPORATION, INC. ("Lessee"), with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, thirty-one (31) refurbished rail cars, as modified by the Lessor, or at its direction, having running numbers SRLX 2060 through 2090, inclusive.

All of such railcars are more fully described in that certain Lease Agreement, dated as of January 20, 1998, and Schedule Number 5 thereto and incorporating the terms thereof, dated as of January 20, 1998 (together with all of the addenda, annexes, schedules and other attachments thereto, collectively, the "Lease"), between Lessor and Lessee.

2. The Lease shall be effective as of the Lease Commencement Date (as defined in the Lease) and shall be leased to Lessee until the Termination Date (as defined in the Lease), including any extension of such term, but subject to any rights reserved therein to cancel or terminate the Lease prior to such date, in each such case, to the extent provided for in the Lease.

This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

SOUTHERN RAIL LEASING, INC.

By: 

Title: Vice President

PLASSER AMERICAN CORPORATION, INC.

By: 

W. Hammerle

Title: Senior Executive Vice President & Secretary-Treasurer

[EXECUTION PAGE]

STATE OF CALIFORNIA
) ss.
 COUNTY OF SAN DIEGO

On this the 24th day of February, 1999 before me appeared Philip W. Hoffman the person who signed this instrument, who acknowledged that he/she is the Vice President of SOUTHERN RAIL LEASING, INC. and that being duly authorized he/she signed such instrument as a free act on behalf of said corporation.

[Seal]



Notary Public

My commission expires:

SEP. 4, 1999.

STATE OF _____)
) ss.
 COUNTY OF _____)

On this the ___ day of February, 1999 before me appeared _____, the person who signed this instrument, who acknowledged that he/she is the _____ of PLASSER AMERICAN CORPORATION, INC. and that being duly authorized he/she signed such instrument as a free act on behalf of said corporation.

[Seal]

Notary Public

My commission expires:

[NOTARY PAGE]

STATE OF _____)
) ss.
COUNTY OF _____)

On this the ___ day of February, 1999 before me appeared _____, the person who signed this instrument, who acknowledged that he/she is the _____ of SOUTHERN RAIL LEASING, INC. and that being duly authorized he/she signed such instrument as a free act on behalf of said corporation.

[Seal]

Notary Public

My commission expires:

STATE OF VIRGINIA)
CITY _____) ss.
~~COUNTY~~ OF CHESAPEAKE)

On this the 17th day of February, 1999 before me appeared W. Hammerle, the person who signed this instrument, who acknowledged that he/she is the Sr. Exec. Vice Pres. of PLASSER AMERICAN CORPORATION, INC. and that being duly authorized he/she signed such instrument as a free act on behalf of said corporation.

[Seal]

Mary W. Baldwin

Notary Public

My commission expires: 06/30/99

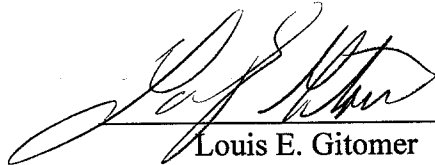
[NOTARY PAGE]

EXHIBIT A

31 4000 cubic foot gondola cars numbered SRLX 2060-2090, inclusive, formerly numbered DEEX 9006, 9237, 9054, 9191, 9184, 9244, 9049, 9192, 9046, 9143, 9123, 9116, 9242, 9107, 9095, 9273, 9050, 9036, 9122, 9126, 9022, 9128, 9026, 9051, 9196, 9110, 9151, 9014, 9240, 9251, and 9216, respectively.

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Memorandum of Lease Agreement dated as of February 24, 1999, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.



Louis E. Gitomer
February 24, 1999